



**City of Saint Paul**

*Randy C. Kelly, Mayor*

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November 1, 2004

Council President Kathy Lantry, and  
City Councilmembers  
3<sup>rd</sup> Floor City Hall  
15 West Kellogg Boulevard  
St. Paul, MN 55102

Subject: Material for the November 3<sup>rd</sup> Budget Meeting

Dear Council President Lantry and City Councilmembers:

The attached material has been prepared for your use as background, and will be used by presenters at next Wednesday's meeting. Please bring this packet of advance material with you to the meeting.

The enclosed information has been prepared by staff and is related to the discussion items listed on the City Council's 2004 Meeting Notice and Agenda for November 3<sup>rd</sup>, 2004, as distributed on Friday, October 29<sup>th</sup>, 2004. The discussion items and materials are:

- I. Review and Approve Agenda for November 3<sup>rd</sup> and tentative agendas for November 10<sup>th</sup> and November 17<sup>th</sup>. (Council President Kathy Lantry)
- II. Review and Update as Necessary, the latest Version of the "City Council 2005 Budget Issues List." (Bob Kessler, Council Research)
- III. Review Follow Responses To Questions and Issues Identified for the Following Departments: (See Issues List for Complete Description of the Items Identified)
  - A. Fire Department, Issue 27: What Is the Attrition Rate Based on Current Staffing Levels and the Attrition Rate Based on a Potential Increased Staffing Level Which Would Include up to Seven Additional Firefighters? (Fire Chief Doug Holton)

See page 3 of the "City Council's 2005 Budget Issues List" handout.
  - B. Police Department, Issues 8 Through 13: Communication Center Burnout, Distribution of Fine Revenue, Efficacy of Administrative Fines in Lieu of Criminal Citations, Plans for Use of Photo Cop, and the Plans for Deployment of the Five Additional Police Officers Approved by the Mayor after His Budget Was Presented to the City Council. (Police Chief John Harrington)

See pages 3-8 of the "City Council's 2005 Budget Issues List" handout.

- C. Parks and Recreation, Issues 1 Through 7, 14, and 50: Rec Center Program Priorities, Comprehensive Preventive Maintenance Report, Increased Programming for Senior Citizens, Programming for the New Jimmy Lee Rec Center, Scholarship Program for Recreation Activities, Internet Access in Recreation Centers, Feasibility of Locating the Kroc Center in Conjunction with the New Jimmy Lee Rec Center, and the Status of Dutch Elm Removal on Public and Private Property. (Parks and Recreation Director, Bob Bierscheid)

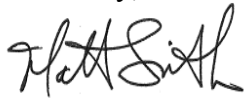
See pages 8-13 of the "City Council's 2005 Budget Issues List" handout. Also see pages 14-15 of the attachments at the end of the issues list.

- IV. Review of Saint Paul Regional Water Services Budget (Stephen Schneider, General Manager)

See pages 16-24 of the attachments at the end of the issues list.

If you have questions on these subjects, please contact me. I look forward to seeing you next Wednesday.

Cordially,



Matt Smith  
Director

cc: Dennis Flaherty  
Budget Analysts  
Department Directors  
Trudy Moloney

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| Number<br>& Date | Dept/<br>Office | City Council's 2005 Budget Issues List                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Due Date/<br>Current<br>Status |
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| 27.<br>9-22-04   | Fire            | <p><b><i>What is Fire Department's estimated annual firefighter attrition rate based on an authorized work force of 390 Firefighters? What would be the Fire Department's estimated annual firefighter attrition rate if the authorized work force is increased to 397 Firefighters? How would the additional firefighters be added to insure that the authorized workforce is maintained? (Benanav, Helgen and Lantry)</i></b></p> <p>Fire staff:</p> <p>The attrition rate for fire suppression personnel is anticipated to be 10 to 12 employees for 2005. Currently, there are 14 firefighter vacancies. However, Fire is in the process of hiring approximately 15 firefighters in late December 2004. This would bring the fire suppression workforce up to the current authorized strength to start out 2005.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Nov 3                          |
| 8.<br>9-15-04    | Police          | <p><b><i>What are the plans to address the stress and burnout issues at the Comm Center that have resulted from a lack of staff resources and constant turn over of staff? (Benanav and Lantry)</i></b></p> <p>Chief John Harrington:</p> <p>The ECC is by nature a stressful environment. Call taking and dispatch are by nature high stress occupations. The question quite correctly identifies the problem area - lack of staff. The issue of turnover only aggravates the staffing problem.</p> <p>I believe the turnover issue developed as a direct result of a change in the hiring process used to fill our vacancies. Historically, when a written test was used in addition to a typing skills test to establish an eligible list and then interviews were conducted, our retention was very good. This provided us with large lists to draw from due to the large number of applicants. This was also considered (by the City) to be expensive. In an effort to reduce the expense, it was determined no written test would be offered. In the interview process personnel never seemed to have difficulty or complaint with our expectations-shift work, holidays, uniforms, etc. However, when the time came for them to actually work midnights or holidays away from the family, the lack of desire for the career became apparent. This I believe has been corrected.</p> <p>The recommendations for the next hire is to use a video based simulation test developed by a national testing company with Saint Paul ECC input. This test has been determined to be relevant and able to survive court challenges. Coupled with the typing test, it produces a good screening tool for those that possess the skills needed to be successful in the ECC environment. A Realistic Job Presentation is also conducted prior to the test and all prospective applicants are encouraged to attend. During this presentation, ECC employees are featured speakers describing the real world of the ECC. The issues that have been raised during exit interviews are frankly discussed. The candidates' eyes are opened as to just what is in store for them. We have presented this twice with favorable results. Several prospective candidates have withdrawn from the process based on this new knowledge. In addition to the job presentation, a sit-along program has been developed in which prospective candidates are encouraged to spend several hours in the ECC observing actual operations. This serves to reinforce the nature of the career and forces the candidate to consider what the actual job/environment is like. It is my belief if this recruitment/education/testing</p> | Nov 3                          |

| Number<br>& Date | Dept/<br>Office | City Council's 2005 Budget Issues List                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Due Date/<br>Current<br>Status |
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|                  |                 | <p>model is used, retention will be well within acceptable limits.</p> <p>When the Griffin Building opened, the ECC did not move with the Department as expected. Change itself is difficult but change combined with increased duties and an unsure future can seriously affect employees attitudes.</p> <p>Equipment in the ECC requires replacement. Radio equipment is too fragile to move and is very old technology. We are the only site in the world that is still using an out-dated version of CAD software. It was to be replaced with the move to the Griffin building. These factors cannot help but affect our employees. Nothing is more stressful and disconcerting then an uncertain future. A clearly defined path for the Saint Paul ECC would go a long way to improving the general outlook of every ECC employee.</p> <p>Financial Services staff:</p> <p>The City of Saint Paul was awarded a \$3.1 million grant from the State of Minnesota for the 2004 Urban Area Strategic Initiative. This grant provides \$2,662,690 for the replacement of the CAD system. The grant was accepted by the City Council on September 22, 2004.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                |
| 9.<br>9-15-04    | Police          | <p><b><i>What is the distribution of fine money between governmental units for both parking and moving violations? (Harris) What are the totals for both parking and moving violations in 2002, 2003, and the first 8 months of 2004?</i></b></p> <p>Chief John Harrington:</p> <p>For the City of St. Paul, 2/3rds of the "fine" goes to the City and 1/3rd goes to the State. Payments are made electronically from the State of Minnesota, Second Judicial District to the City of St. Paul, General Fund. The "fine" amount that is split is different from the amount the defendant pays; the "fine" is only a portion of what a defendant pays. The amount due from a defendant includes a \$5.00 fee for the Ramsey County law library if the offense is a criminal or traffic matter. This \$5.00 is not included on parking violations. The amount due from a defendant also includes a mandatory state surcharge; this surcharge is \$60.00 for criminal and traffic violations and \$3.00 for parking violations These surcharges can not be waived, are set by statute and are imposed upon conviction.</p> <p>Here are some examples. Example 1: the amount due from the defendant for an Expired Meter offense is \$23.00. Of that amount, \$3.00 is the surcharge and goes off the top to the State, and the remaining \$20.00 is split 2/3rds 1/3rd between the City and the State as noted above. Example 2: the amount due from a defendant for a DSS offense is \$115.00. Of that amount, \$65.00 (the \$5.00 County law library amount and the \$60.00 State surcharge) is taken off the top for the State, and the remaining \$50.00 is split 2/3rds 1/3rd as stated above. If a Judge reduces the amount a defendant has to pay, (i.e., if the \$115.00 fine in example #2 is reduced to \$75.00), the \$5 library fee and \$60 surcharge still go to the State, with only the remaining \$10.00 split in the 2/3rds 1/3rd manner.</p> | Nov 3                          |

| Number<br>& Date | Dept/<br>Office | City Council's 2005 Budget Issues List                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Due Date/<br>Current<br>Status |
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|                  |                 | <p>It is not possible to state the amount of money collected for parking/moving offenses separately. The older electronic system that records this data is not sophisticated enough to provide such information historically. The money collected from defendants is recorded and reported en masse. The amount of money is just reported as a total and not subdivided by offenses. Money from criminal defendants is mixed in with money from traffic defendants, etc.</p> <p>Despite this, some broad, general information is available. We do have figures from the Traffic Violations Bureau staff on total revenue from all fines collected for 2002, 2003 and through the end of September, 2004. As always, some points should be made clear about these figures. These figures reflect the amount of money for the St. Paul General Fund from all criminal, traffic and parking offenses. Most of these amounts come from SPPD but also include fines from citations, etc. from animal control, LIEP and code violations. Although the amounts from those units are small, they need to be recognized. The totals also include money from offenses in St. Paul cited by Ramsey County sheriffs and the State Patrol. Finally, it should also be noted that these amounts included revenue from snow emergencies, which are heavy contributors but inconsistent from year to year.</p> <p>With that in mind, here are the figures:</p> <ul style="list-style-type: none"> <li>- 2002 total amount in fines = \$ 3,300,460.00</li> <li>- 2003 total amount in fines = \$ 4,018,420.00</li> <li>- 2004 total amount in fines YTD (9-30-04) = \$ 3,321,989.00</li> </ul> <p>For further enlightenment, we are able to tell how much of the 2002 and 2003 amounts are due to solely parking. They are:</p> <ul style="list-style-type: none"> <li>- 2002 revenue from parking = \$ 1,547, 512.00 or about 47%</li> <li>- 2003 revenue from parking = \$ 2,214,989.00 or about 55%</li> </ul> <p>Financial Services staff:</p> <p>Fines from parking and moving violations are split between the General Fund and Police's Parking Enforcement Fund. Dollars are transferred directly to Police's Parking Enforcement Fund (fund 420) to support the cost of the parking enforcement personnel. This cost is about \$1 million annually. Beginning in 2004, the expense of the ticket writer system will be added on top of this cost. The amounts for parking and moving violations net of the costs of parking enforcement are then deposited to the general fund.</p> |                                |
| 10.<br>9-15-04   | Police          | <p><b><i>Can Admin fines be used in lieu of parking citations? (Harris)</i></b></p> <p>Chief John Harrington:</p> <p>I would say No. My opinion is that Admin. fines can not be used in lieu of parking citations.</p> <p>Briefly speaking, the reasons are as follows:</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Nov 3                          |

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|                  |                 | <ul style="list-style-type: none"> <li>- cities only have the authorities provided by the State.</li> <li>- I have copies of a letter from the State Attorney General's office and dated December 1, 2003, which says this practice is not allowed.</li> <li>- it appears the City does not have the authority to collect such fines.</li> <li>- practically, how would the City collect such fines?<br/>(The County Traffic Violation Bureau would not serve as our collection agency so they would not be involved and there is no existing structure to collect said fines.)</li> <li>- if a person contested an Admin. fine, where would said person go? What court would hear such a case? St. Paul municipal courts were abolished in 1986 so there is no system to adjudicate these offenses.</li> <li>- Other than the police department, there is no one within the "city" organization who has authority to obtain registrations on vehicles named in parking citations.</li> <li>- an entire new bureaucratic structure would have to be created to do this.</li> <li>- if the City is mainly looking to save money, look elsewhere. The time, money and resources necessary to ultimately achieve this are not worth the results.</li> </ul> |                                |
| 11.<br>9-15-04   | Police          | <p><b><i>Can Admin fines be used for other types of minor traffic offenses such as loud stereos? (Harris)</i></b></p> <p>See the comments under question 10.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Nov 3                          |
| 12.<br>9-15-04   | Police          | <p><b><i>What is the Administration's Plans for the use of Photo Cop technology and how much money could be raised through the use of the technology? (Benanav and Harris)</i></b></p> <p>Chief John Harrington:</p> <p>Currently there are no plans to study, consider or institute Photo Cop. This topic has been discussed at the City level for the past 10-15 years. I believe that about 15 years ago, this matter was abolished locally since at that time the thought was that the state legislature would have to approve such action and the legislature did not. Within the past 5-7 years, this idea was discarded by the then existing City Council/Mayor's Office as being too intrusive. This concept is possible and timely but the last time we worked on it, City Administration did not support it. It's expensive but I believe money can be made here; one system might pay for itself in 2-3 years. More importantly such a system could lead to a reduction in accidents, etc.</p> <p>Financial Services staff:</p> <p>Minneapolis has recently considered implementing a photo cop program. If Minneapolis moves ahead, St. Paul can learn from the experience in Minneapolis.</p>                                               | Nov 3                          |

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| 13.<br>9-15-04   | Police          | <p><i><b>What are the plans to use the five additional police officers that the Mayor has added to the budget? Will they be assigned to address the domestic violence issue? What about problem properties (Reference the "Broken Glass Theory") [Benanav and Helgen]</b></i></p> <p>Chief John Harrington:</p> <p>In light of the Mayors increasing the SPPD authorized strength by five FTE we have already initiated a Promotional Test that will allow us to hire these 5 and up to 5 more this winter. My goal was to get the additional officers hired, trained and on the streets before Summer.</p> <p>In regards to their assignment these new recruits will be assigned to the districts and 5 experienced officers will be assigned to City Wide Services Section- ACOP Unit. My rationale is based on my experience as a District commander and commander of the ACOP unit. 1-2 officers added to a district does not have any real noticeable impact on calls or crime problems. At worst they are just one more call taker and when you spread that out over all three shifts you get a very diluted product. In my experience we will get a more significant impact if we assign these officers to patrol duties in ACOP because we will be able to direct their efforts to some of our most problematic areas.</p> <p>By problematic I mean areas where we have ongoing problems that are beyond the typical capacity of a squad officer to address due to call volume and other routine emergency response requirements. These problems include on going narcotics, gun crimes, domestic violence and disorder. After an initial scan I would suggest that the 5 officers be assigned to the following high density private housing complexes/areas:</p> <p>Skyline Towers-1247 Saint Anthony<br/>Maryland and Hazelwood apartments<br/>371 Winthrop -Lower Afton area apartments<br/>Cleveland and Saint Paul Parkway apartments<br/>Dorothy Day and Mary Hall</p> <p>We would use the officers to address both the drug and violent crime problems but in addition wold task them with working in concert with the Family and Sexual Violence Unit to employ SCOOP (Serious Court Ordered Offender Program). This program is for people that continuously violate the Orders for Protection, and are usually, repeat domestic assault suspects. As we know from council research, domestic abuse is often one of the most frequent problems at a problem property.</p> <p>The officers would also be responsible for assisting with outreach to the large immigrant populations that occupy these complexes. These officers would duplicate the very successful efforts of the officers assigned to public housing, which has had a crime rate substantially lower than many of these complexes. All officers would be trained and work with Ruth Ann Eide on implementing Crime Free Multi Housing strategy. The officers would respond to calls at these sites thereby reducing demand on the district officers. Officers would also work with Andy Dawkins staff on housing issues and with the FORCE unit on drug and</p> | Nov 3                          |

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|                  |                 | <p>excessive consumption issues. In short they would become the next generation of problem solving beat officers.</p> <p>I believe that by assigning these officers to do problem solving beats we will see a substantial reduction in calls and crime in those complexes and given the broken windows theory we will see order restored in the areas around and adjacent to the complexes.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                |
| 1.<br>9-15-04    | Parks           | <p><b><i>When will the recreation center program priorities process be ready for City Council Review? (Lantry and Helgen)</i></b></p> <p>See Bierscheid memo dated 10/27/04 (attached.)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Nov 3                          |
| 2.<br>9-15-04    | Parks           | <p><b><i>When in 2005 will the comprehensive report on the condition of and preventive maintenance schedule for recreation facilities be ready for roll out? (Helgen)</i></b></p> <p><b>Meeting Schedule and Agenda:</b></p> <ol style="list-style-type: none"> <li>1. The initial meeting with the <i>Physical Infrastructure Team, Service and Programs Team and the Technical Team</i> was held on October 14<sup>th</sup>, 2004. The focus was on defining the protocol and designing the assessment tool for undertaking evaluations of facilities, programs, and services. Priorities were established on what types of information is most valuable and worth gathering for planning purposes.</li> <li>2. Consultant support for teams focuses on setting up the protocol for the process, providing necessary training, and evaluating information derived from the process. Staff teams do the majority of the field work.</li> </ol> <p><b>Schedule</b></p> <p>A three to four month schedule for the initial steps of the project, with the first two to three months used for data collection and the last month used for evaluation. The process would be positioned to move into the planning phase by April 1, 2005.</p>                                                                                                                                                                                                                                                         | Nov 3                          |
| 3.<br>9-15-04    | Parks           | <p><b><i>What efforts are being done to increase programming at recreation centers for senior citizens to keep them in the City? (Thune)</i></b></p> <p>The City has an active senior citizens recreation program, with group activities at 19 Recreation Center sites (Linwood, North Dale, Rice, McDonough, West Minnehaha - Frogtown Seniors, West Minnehaha - Hmong Elders, Sylvan, Hancock, Conway, Dayton's Bluff, Baker, Dunning, Linwood GLBT, Battle Creek, Hazel Park, Orchard, Northwest Como, So. St. Anthony, Edgumbe, Hillcrest, Merriam Park). We also offer a variety of "city-wide" events and activities such as bowling, chorus, hiking, and Winter Carnival Senior Royalty that are not based at our facilities. Through cooperative programming with the School District, additional hundreds of seniors are served through Community Education programs. In addition to some highlights of the existing senior program offerings listed below, the City is working actively with HealthEast Passport to establish a downtown senior activities center at Galtier Plaza. It is anticipated that the new center will serve the seniors in downtown housing as well as those from throughout the broader community.</p> <ul style="list-style-type: none"> <li>• Sponsor clubs and leagues, including hiking, bowling, brunch club, Senior Royalty and chorus.</li> <li>• Schedule a wide variety of trips/tours around and outside of the Twin Cities metro area.</li> </ul> | Nov 3                          |



| Number & Date | Dept/ Office | City Council's 2005 Budget Issues List                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Due Date/ Current Status |
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|               |              | <ul style="list-style-type: none"> <li>• Provide special events examples being - a music extravaganza, picnic &amp; cruise, golf and card tournaments, and a New Year's Eve party.</li> <li>• Offer numerous recreational and enrichment classes including tai chi, exercise, computers, crafts and cooking.</li> <li>• Developed and distributed a comprehensive listing of 90 senior serving agencies in St. Paul.</li> <li>• Developed and distributed a detailed survey of St. Paul's 19 major senior transportation providers.</li> <li>• Work in collaboration with the Minnesota Senior Federation to produce a bi-monthly public access television show called "Seniors in Action".</li> <li>• Partnerships with several agencies such as Keystone Community Services, the Salvation Army and the Saint Paul Libraries to enhance the programing and services of each.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                     |                          |
| 4.<br>9-15-04 | Parks        | <p><b><i>What was the position of the Administration in the 2003 and 2004 Budget in regard to keeping all the recreation centers open? Was there a commitment to maintain all the hours of at recreations centers? What was the actual policy? (Benanav and Lantry)</i></b></p> <p>During the 2003 and 2004 budget processes, including mid-year adjustments related to reduction in State Local Government Aide, a specific priority was established by the Administration to maintain Recreation Center services and programs. In implementing budget reductions while upholding that priority, the Division deliberately focused resources in a manner that did not require that closing of any individual Recreation Centers and also invested in maintaining professional level staff positions at individual facilities. In specifically carrying out reductions, all permanent layoffs affecting Recreation Centers were limited to supervisory staff and administrative functions. Relatedly, the Division also made a deliberate effort to focus the available resources where they would have the greatest impact. As we have previously reviewed, the focusing of resources has resulted in adjustments to some facility hours, including the elimination of hours when participation was evaluated to be low.</p> | Nov 3                    |
| 5.<br>9-15-04 | Parks        | <p><b><i>How will the programming for the new Jimmy Lee Recreation Center be handled? What is the process or plan for programming new facilities? Do we have to reduce programming elsewhere to open new facilities? (Helgen and Lantry)</i></b></p> <p>Currently, the Jimmy Lee Recreation Center/Oxford Pool project is in the design &amp; development phase. A design advisory committee has been established and a design consultant has been retained (Bradley &amp; Associates). It is currently anticipated that construction on this project could begin in 2006. Programming and related activities will be managed through the Service Area 3 budgets. Upon request of the Budget Office to identify anticipated budget issues beyond the 2005 budget, the Division identified adequately funding an expanded facility at Jimmy Lee/Oxford Pool as an upcoming budget issue. Specific operational plan development will parallel the physical plant developmental process. The full extent of the programming needs will not be known until the design phase is complete. As a part of our on-going outreach program, the community will be engaged in programming discussions.</p>                                                                                                                                | Nov 3                    |

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| 6.<br>9-15-04    | Parks           | <p><i>Is it possible to institute a scholarship program for recreation services in cooperation with community groups to lower part of the cost to participate in recreation activities.? (Helgen)</i></p> <p>Currently there are no written Parks and Recreation policies regarding financial aid for activities at recreation centers. Relatedly, there is also no budgeted line item or specific funding source for financial aid. Despite the lack of a formal policy, it has been the organizational practice of Saint Paul Parks and Recreation that no child will be denied access to a sports team or activity due to his/her inability to pay the registration fee. This organizational practice is facilitated locally, by staff and boosters, who develop an understanding regarding individual circumstances and use that information as a basis to offer financial aid.</p> <p>Limited to individual programs, Parks and Recreation has successfully administered financial assistance programs with specific criteria. For the most part, these circumstances evolved to distribute a finite amount of grant funding to eligible participants of a specific targeted program. Such grant funding has often been used as a means to provide scholarships for summer camps. One prominent example of a targeted scholarship program that has been sustained over a number of years is the Friends of Oxford Pool program, in which persons in need apply for financial assistance in order to take swimming lessons. The program is managed by the friends of Oxford Pool which raises money in order to fund scholarships.</p> <p>Parks and Recreation has identified issues that impact implementation of a uniform financial aid system. Staff researched procedures used by other organizations in performing this work.</p> <ul style="list-style-type: none"> <li>• Establish a city-wide program for scholarships and a specific financing source. If Parks and Recreation is required to identify a financing source, options for financing a scholarship fund included dedicating a percentage of rental/lease revenues and/or establishing a surcharge on all registration fees. If no new revenues were available, both options would either redirect financing currently used for another existing purpose or create an increase in participant fees. A surcharge on fees could also create an issue in circumstances where booster organizations currently collect fees and control the appropriation of related revenues.</li> <li>• Administer the program beyond the local recreation center; taking staff out of the local decision-making and ensuring standards are consistently applied.</li> <li>• Establish a financial aid request form that is simple, possibly using the eligibility for free or reduced school lunch as qualifying criteria.</li> <li>• Regardless of scholarship eligibility, require that all participants pay some portion of the applicable fee, maintaining value for the service provided and creating a level of ownership/investment in the program.</li> </ul> | Nov 3                          |

| Number<br>& Date | Dept/<br>Office              | City Council's 2005 Budget Issues List                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Due Date/<br>Current<br>Status |
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| 7.<br>9-15-04    | Parks &<br>Cable<br>Office   | <p><b><i>Is it possible to use Comcast fine money to pay for some or all of the costs of providing internet service at recreation centers? Is WIFI being considered and is WIFI the right technology for this application? (Helgen) And the broader question is how do we use fine revenue to promote access for citizens, especially those who are part of the digital divide?</i></b></p> <p><i>The response below was prepared with input from Parks and Recreation and the Office of Technology:</i></p> <p>The cable office collected liquidated damages of \$22,000 in January 2004 for Comcast's failure to meet telephone standards for the third quarter of 2003. These funds were added to the cable office budget in C.F. 04-364 and are being used for a review of Comcast's cable rates to ensure St. Paul cable subscribers are not being overcharged. The rate review includes St. Paul's participation in a comprehensive national review of Comcast's FCC Form 1205 filing (which they filed on a national basis) and a local review of their FCC Form 1240 filing.</p> <p>The cable office collected liquidated damages of \$21,397.14 in September 2004 for Comcast's failure to meet telephone standards for the second quarter of 2004. The cable office budget has not been amended to recognize the additional revenue or authorize expenditure of those funds.</p> <p>There is no city policy in place regarding the use of fine revenue from the cable company. In the past, monies received from the cable operator in the form of settlements or fines have been used for cable-related purposes, such as the current rate review; I-Net purposes, and other PEG (Public, Educational and Government) access purposes.</p> <p>The Office of Technology has done some research on Wi-Fi options for city locations for citizen access. Currently implementing Wi-Fi connectivity at Rec Centers is not a priority for the Parks and Recreation Department to lead this effort. If it were to become an desired capability/need, currently the cost of a solution ranges from \$500 for installation and \$95 per month ongoing costs to \$11,700 for installation and \$435 per month ongoing costs. These costs are VERY rough estimates meant just to provide insight into potential costs that would be incurred with setting up Wi-Fi access in a facility.</p> <p>While the use of Comcast fine money does not reside within the Parks operating budgets, Parks and Recreation has worked extensively with Comcast and the Cable Office to ensure that the city's recreation centers are electronically connected.</p> | Nov 3                          |
| 14.<br>9-22-04   | Parks &<br>Mayor's<br>Office | <p><b><i>Requested a report on the feasibility of locating the proposed Kroc Center in conjunction with the Jimmy Lee Recreation Center to see what synergies can be obtained at that location as opposed to the West Minnehaha Recreation Center site. (Helgen)</i></b></p> <p>The location of the proposed KROC center is the decision of the Salvation Army according to their criteria. Should this proposal by the local Salvation Army be selected by the Kroc Endowment Trustees, the City of Saint Paul will have the opportunity to enter into an agreement for development of the selected site or reject the proposal.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Nov 3                          |

| Number<br>& Date    | Dept/<br>Office  | City Council's 2005 Budget Issues List                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Due Date/<br>Current<br>Status |
|---------------------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| 48.<br>10-13-<br>04 | Parks and<br>Rec | <p><b><i>Wayzata Park has fallen into disrepair. Can this park be added to the maintenance list for immediate attention? (Helgen)</i></b></p> <p><i>The response below was prepared with input from Parks and Recreation and Public Works:</i></p> <p>"Wayzata Park" is an area of public street right of way located along Wayzata Street right of way extended easterly between Abermarle and the n-s alley between Abermarle and Rice Street and portions of Abermarle right of way extending south. Within this right of way, there is a east -west alley, east-west side walk, north-south sidewalk, bushes, a wishing well, grass, and an "Wayzata Park" sign. It is Public Works property, and therefore, is not included in the maintenance plan for Parks and Recreation.</p> <p>Public Works currently mows the grass in Wayzata Park and shovels the sidewalk. Since there is a public sidewalk in the right of way, Public Works recently agreed to and proceeded to install a light to light the sidewalk area. Apparently Parks installed the sign about ten years ago at the request of the community. The bushes and wishing well apparently were installed by the community at some point in time. It is Public Works' understanding that the bushes were maintained by an adjoining resident, who has since passed away. The bushes, and mulch around the bushes, could use some maintenance. Public Works is willing to work with Parks on this issue. If the responsibility for the maintenance is transferred to Parks and Recreation, they request that resources to do so are provided.</p> | Nov 3                          |
| 49.<br>10-13-<br>04 | Parks and<br>Rec | <p><b><i>What's the Status on the removal of diseased trees on public property? When the City Council approved an additional \$100,000 for tree removal in 2004 Parks staff promised a report on the program, the number of trees infected, and the number removed with a time line for completion. When will that report be forthcoming? (Helgen)</i></b></p> <p>The Dutch Elm update is as follows: Forestry has marked 1,486 public diseased trees and 2635 private property diseased trees for 2004. There were 290 public trees and 885 private property trees marked last year. The status of the removal of public trees is: Of the above 1,486 public diseased trees 525 (35%) have been removed. We estimate it will take an additional six (6) months, (approximately) April 30, 2005, to remove the remaining nine hundred sixty (960) diseased elm trees. Our estimate is dependent on the following:</p> <ul style="list-style-type: none"> <li>a. Normal fall, winter, and early spring weather</li> <li>b. No significant fall, winter, or early spring storms</li> <li>c. The allocation of ten (10) full time tree workers, two (2) aerial buckets, two (2)clams, and four (4) tandems <u>dedicated solely</u> to the removal of diseased elm trees.</li> </ul>                                                                                                                                                                                                                                                                                                                                   | Nov 3                          |

| Number<br>& Date    | Dept/<br>Office  | City Council's 2005 Budget Issues List                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Due Date/<br>Current<br>Status |
|---------------------|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| 50.<br>10-13-<br>04 | Parks and<br>Rec | <p><b><i>What's the status of diseased tree removal on private property? Concern remains high that property owners are not complying with orders to remove diseased trees. What is being done to address this situation to curtail the spread of disease? (Helgen)</i></b></p> <p>As of 10/11/04, there have been no trees removed from private property. As a result of the Council abatement authorization action taken earlier this year, it is anticipated that the \$100,000 available for abatement will remove approximately 100 trees from private property and that the others will be voluntarily removed . The necessary changes to city Legislative code 175 have not been enacted yet. These changes include increasing the payback time from four years to ten years and an update to the State code reference which will be completed by the Real Estate office by the end of November. Abatement of private property trees will begin sometime in November, after the ground freezes, which helps reduce damage to private property. Private contractors will be hired for this purpose. The elm bark beetle is in hibernation, and so the fact that trees are still standing now, is not an issue until next summer.</p> | Nov 3                          |



## City of Saint Paul

### Interdepartmental Memorandum

To: Matt Smith

From: Bob Bierscheid

Date: 10/27/04

Subject: **Responses to Parks and Recreation Questions for November 3<sup>rd</sup>**

***1.) From 9/15/04 - When will the recreation center program priorities process be ready for City Council Review? (Lantry and Helgen)***

#### **Context and Background:**

This planning process of Parks and Recreation is an outgrowth of the Recreation Services Study that has been underway for the last couple of years. The focus now shifts to the preparation of a Comprehensive System Plan. The planning process has two major aspects to it:

- Develop a new comprehensive system plan that guides the Parks and Recreation Department's decisions and resource allocations as related to services, programs, physical infrastructure development and operation, etc. This will be a dynamic plan that will evolve over time in sync with new information and insights.
- Develop and institutionalize internal processes that allow for continuous planning to occur at all levels of the organization.

#### **Process Elements**

##### **A. Services and Programs Planning**

- Current program and services – recreation center, service area, and city levels
- Participation rates and profiles
- Demographic profiles – neighborhoods, service areas, and city levels
- Program opportunities/demands currently not being addressed
- Recreation trends
- Projecting program and services needs/reshaping program offerings and how those offerings are delivered

##### **B. Physical Planning**

- Facilities profile – existing indoor and outdoor facilities under various categories
- Deferred maintenance and capital improvements backlog
- Interrelationship of facilities within a service area and entire system
- Notable deficiencies

##### **C. Environmental Planning**

- Consolidation of program
- Clear direction and expectations
- Sustainability

##### **D. Community Outreach and Research**

- Revamp whole approach to community involvement and outreach
- Place greater emphasis on primary and secondary research
- Build and maintain relationships with the community

### **E. Technology**

- Build capacity to effectively gather data/information and disseminate throughout the organization using an integrated system
- Develop technical skills in staff

### **F. Financial Resources Plan**

- Evaluate current financial resources management plan
- Adjust plan in response to new comprehensive plan

### **Planning issues defined thus far on organizational development side:**

- Performance standards, measurement, and accountability
- Staff training
- Leadership development and succession planning
- Institutionalize new planning processes and protocols (at all levels, across all divisions) to become a core capacity of the organization
- Reshape CIB process to be in greater alignment with organizational processes and outcomes
- Improve communications at all levels (internal to the organization, with the community, and with the political leadership)

### **Work Plan**

- 1) Undertake an assessment process of physical infrastructure (using a team approach)
- 2) Undertake an assessment process of services and programs (using team approach)
- 3) Develop and implement a new comprehensive approach to community outreach and research
- 4) Develop overall strategy and vision for technological system, including implementation steps and time frames

### **Planning Teams and Their Roles**

There are currently four teams assembled as part of the initial step in the comprehensive planning process. These teams include:

- 1) Physical Infrastructure Team (Team Managers-Tim Agness, Design Manager & Rich Lallier, Operations Manager)
- 2) Services and Programs Team (Team Manager-Mike Hahm, Rec Manager. Core Team)
- 3) Special Facilities Team
- 4) IS/ITS Technical Team (City and Parks IT/MIS personnel)

There is also a **Project Management Team**. This team has been meeting with the consultant every three weeks. The team includes:

- Bob Bierscheid, Director of Parks and Recreation
- Mike Hahm, Recreation Services
- Rich Lallier, Operations
- Tim Agness, Design and Construction
- Vince Gillespie, Special Services
- Liz Anderson, Como Campus
- Matt Reinartz, Project Coordinator

This team is responsible for:

- Managing the planning process.
- Providing overall leadership.
- General planning and policy setting.
- Key decision making to keep the process moving forward.



# BOARD OF WATER COMMISSIONERS

*President: Patrick Harris ♦ Vice President: John Zanmiller*

*Commissioners: Matt Anfang ♦ Bob Cardinal ♦ Gregory Kleindl ♦ Debbie Montgomery ♦ Dave Thune*

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July 13, 2004

Board of Water Commissioners

Dear Commissioners:

Re: 2005 Budget

## OVERVIEW:

This budget has an increase in total revenue projected at \$1,498,000. The following is a summary of the highlights:

- The increase in revenue comes, first, from a \$0.05/100 cu. ft. rate increase, which will generate about \$1,408,000 in new revenue. However, because of contract changes with wholesale customers and suburban communities, the proposed rate increase will actually generate a net total of about \$1,371,000 in additional revenue.
- Second, increases in various miscellaneous revenues are projected to bring in an additional \$67,000.
- We will be using \$47,000 in retained earnings to present a balanced budget.

This budget also reflects an increase in spending of \$1,498,000. This includes an increase in operating expenses of \$388,000, an increase in revenue funded capital improvements of \$1,024,000 and an increase in debt service of \$86,000.

## REVENUE:

### Sale of Water:

There is no change in the projected volume of water to be sold in 2005. The proposed \$0.05/100 cu. ft. water rate increase will result in an increase of \$1,096,000 for a total of \$33,152,460 from the sale of water. The net effect of the increase from water rates is extended by an increase in revenue due to minimum billing consumption, changes in consumption patterns, along with wholesale and suburban retail contract changes. The total effect of all the changes is an increase in revenue of \$1,371,000 from the sale of water.

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## SAINT PAUL REGIONAL WATER SERVICES

Stephen P. Schneider, General Manager

8 4<sup>th</sup> St E. Saint Paul MN 55101-1007 ♦ TTY: 651-266-6299

*Saint Paul Regional Water Services provides quality water services to the following cities:*

Arden Hills-Falcon Heights-Lauderdale-Little Canada-Maplewood-Mendota-Mendota Heights-Roseville-Saint Paul-West St. Paul



## REVENUE (continued):

|                                                |                    |
|------------------------------------------------|--------------------|
| \$0.05/100 cu. ft. increase                    | \$1,096,000        |
| Minimum bill and consumption changes           | \$312,000          |
| Wholesale and suburban retail contract changes | <u>(\$37,000)</u>  |
| Total Change                                   | <u>\$1,371,000</u> |

## Changes in Suburban Retail Contracts:

|               | <u>2004 rate</u>     | <u>2005 rate</u>     |
|---------------|----------------------|----------------------|
| West St. Paul | 104.25% <sup>1</sup> | 100.00% <sup>1</sup> |

## Changes in Wholesale Contracts:

|           | <u>Average<br/>2004 rate</u> | <u>2005 rate</u>   |
|-----------|------------------------------|--------------------|
| Roseville | 71.8% <sup>1</sup>           | 72.5% <sup>1</sup> |

Rates:

This budget has a rate increase of \$0.05/100 cu. ft. as follows:<sup>2</sup>

|                      | <u>100 cubic feet</u> |             | <u>Percent Increase</u> |            |
|----------------------|-----------------------|-------------|-------------------------|------------|
|                      | <u>2004</u>           | <u>2005</u> |                         |            |
| Winter rate          | \$1.51                | \$1.56      | 3.3%                    |            |
| Summer rate          | 1.61                  | 1.66        | 3.1%                    | Avg.=3.32% |
| 2 <sup>nd</sup> step | 1.41                  | 1.46        | 3.5%                    |            |

<sup>1</sup>indicates percentage of the City of Saint Paul rate

<sup>2</sup>for Cities of Saint Paul, Falcon Heights, West Saint Paul, and Maplewood

If we assume an average consumption of 88 units (65,824 gallons), the impact on the average family is an increase of \$4.40 per year.

Other Revenue:

This budget does show an increase in miscellaneous operating revenue of \$60,000, as well as an increase in non-operating revenue of \$7,000.

**EXCESS OPERATING CASH:**

The actual excess operating cash at the end of 2003 was \$4,960,000. The projected excess operating cash at the end of 2004 currently is \$3,025,000. With this budget, the projected excess operating cash at the end of 2005 will be \$3,267,000. Cash reserves are higher than we ordinarily recommend. We are recommending the above level for two primary reasons. One, we will need funds to cover the 2005 State Revolving Fund (SRF) financing program because this is a reimbursement program. Second, the ten-year plan requires cash for the funding of a customer information system, if approved by the Board. A detail of the cash changes is outlined in the attached appendix.

**EXPENSES:**Operations:

The net change in the operation portion of the budget is an increase of \$388,000. Positions remained unchanged at 247.9 and we anticipate contract wages to hold steady. We show a net increase of \$10,000 for step increases and a \$7,500 reduction in overtime. Fringe benefits are expected to increase approximately \$400,000; we are also increasing the maintenance of our infrastructure, which accounts for a decrease of \$255,000 in capitalized labor; the net change is an increase of \$665,000. We anticipate a decrease in the cost of services of \$500,000; the major decrease came primarily in the areas of moving expenses and rental of building and office space, with increases in insurance and computer maintenance. Supplies and other miscellaneous expenses are expected to increase \$223,000 due to increases in fuels, chemicals, technology and miscellaneous changes in other areas.

|                        |                  |
|------------------------|------------------|
| · Salaries and Fringes | \$665,000        |
| · Services             | (\$500,000)      |
| · Supplies and Misc.   | <u>\$223,000</u> |
|                        | <u>\$388,000</u> |

**CAPITAL:**Revenue Funded Capital Improvements:

This budget shows a net increase of \$1,024,000 in revenue funded capital improvements. The main replacement program was increased by \$850,000, which includes continued efforts for main rehabilitation including cleaning and lining of larger mains. We are continuing with our well development and tank painting. We are also replacing a transformer and adding an additional sludge press, as we have insufficient redundancy in this area. There were many campus related projects in 2004; we have partial payment of the railroad bridge and entrance roads improvements in this budget. The remainder of the changes relate to equipment and small capital, which are budgeted to maintain an appropriate replacement schedule.

## CAPITAL (continued):

Granular Activated Carbon (GAC) Filter Project Design (Taste & Odor):

This budget reflects an increase in spending for the design in conjunction with the GAC project. We propose the use of \$12,000,000 cash for the GAC project. We are anticipating funding to come from the State Revolving Fund (SRF).

I/T Needs Assessment Capital Investment:

This budget reflects an increase in spending for information technology as presented in the Information Technology (IT) roadmap. This budget presents the use of \$375,000 cash to gather the information requirements necessary to develop a request for proposal for the Customer Information System (CIS).

## MISCELLANEOUS:

There are no major professional service agreements other than those presented for the capital program. We are continuing security with Ramsey County at the present level.

## CLOSING STATEMENT:

With this budget, we are requesting a 3.3% rate increase. This is comprised of 1.9% for to account for inflationary increases and 1.4% for GAC Project Debt Services.

I recommend the Board to adopt this budget as presented. SPRWS is a utility that provides an excellent quality of water to our customers at a reasonable cost. We continue to be among the top utilities across the country in terms of water quality and competitive pricing. We have done so by increasing the efficiency of our operations, leveraging technology to increase our level of customer service and developing a rate structure that allows us to provide for infrastructure rehabilitation at a rate that ensures a safe, reliable system for generations to come.

Lastly, I would like to take the opportunity to extend my appreciation to the Board for their continued support of all the employees of SPRWS. The improvements that have been made over the years have drastically changed the way we do business. Our employees continue to show their dedication and attention to detail each and every day. I believe we will continue to be a leader in our industry and successfully serve our customers well into the future.

Sincerely,

Stephen P. Schneider  
General Manager

SPS/reo  
Attachment

## APPENDIX

### EXCESS OPERATING CASH:

The analysis of excess operating cash for the years 2002 through 2005 is as follows:

|                                                |             |                    |
|------------------------------------------------|-------------|--------------------|
| Beginning Balance 12/31/2002                   |             | \$4,875,000        |
| Operating Revenue Above Budget                 | \$200,000   |                    |
| Non-operating Revenue Above Budget             | \$20,000    |                    |
| Operating Expenses Below Budget                | \$292,000   |                    |
| Non-operating Expenses Below Budget            | \$100,000   |                    |
| Investment Interest Revenue Below Budget       | (\$458,000) |                    |
| Change in Bond Reserve                         | (\$741,000) |                    |
| Issuance Costs/Discount                        | (\$160,000) |                    |
| Net Change in Accts Rec/Accts Pay, etc.        | \$151,000   |                    |
| Homeowner Lead Replacement Program             | (\$31,000)  |                    |
| Other Changes                                  | (\$49,000)  |                    |
| Change in Minimum Cash Required                | (\$180,000) |                    |
| Repayment of Architect Fees                    | \$308,000   |                    |
| Change in Contract with PW (no advance)        | \$1,200,000 |                    |
| Property and Vehicle Insurance Deductible      | (\$500,000) |                    |
| Net Change                                     |             | <u>\$152,000</u>   |
| Rice Creek Property (rec'd over budgeted)      | \$8,000     |                    |
| Anoka Park Property (rec'd less than budgeted) | (\$75,000)  |                    |
| Net Cash From Land Sales Above/(Below)         |             | (\$67,000)         |
| Budgeted                                       |             |                    |
| Ending Balance 12/31/2003                      |             | <u>\$4,960,000</u> |

EXCESS OPERATING CASH (continued):

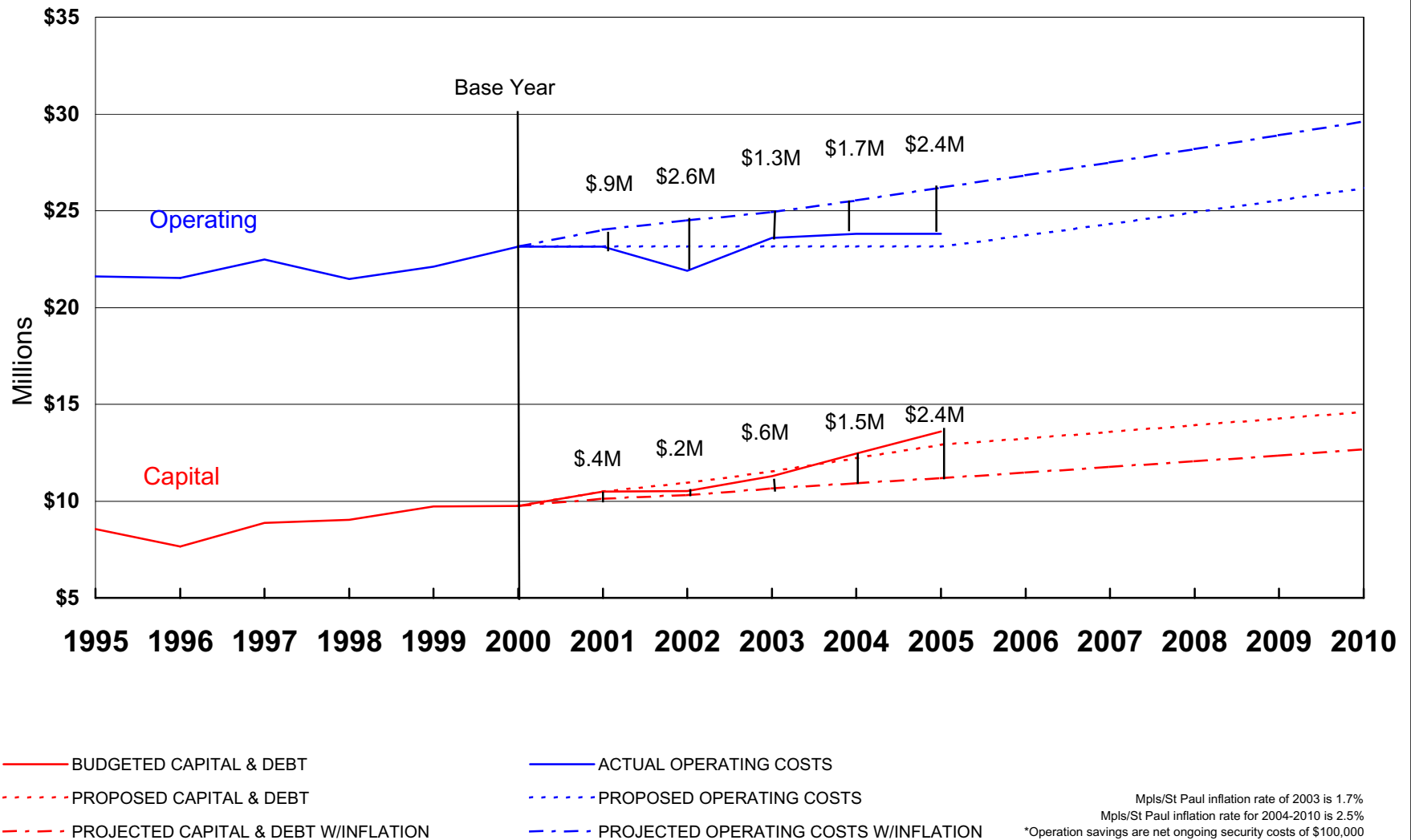
The 2004 expected excess operating cash changes are as follows:

|                                    |               |                      |
|------------------------------------|---------------|----------------------|
| Beginning Balance 12/31/2003       |               | \$4,960,000          |
| Change in Bond Reserve             | \$27,000      |                      |
| Change in Minimum Cash Required    | \$85,000      |                      |
| Homeowner Lead Replacement Program | (\$50,000)    |                      |
| Excess Financing over Expenditures | \$13,000      |                      |
| Cash Funded Capital Projects       | (\$1,210,000) |                      |
| Advance SRF Funding                | (\$800,000)   |                      |
| Net Change                         |               | <u>(\$1,935,000)</u> |
| Ending Balance 12/31/2004          |               | <u>\$3,025,000</u>   |

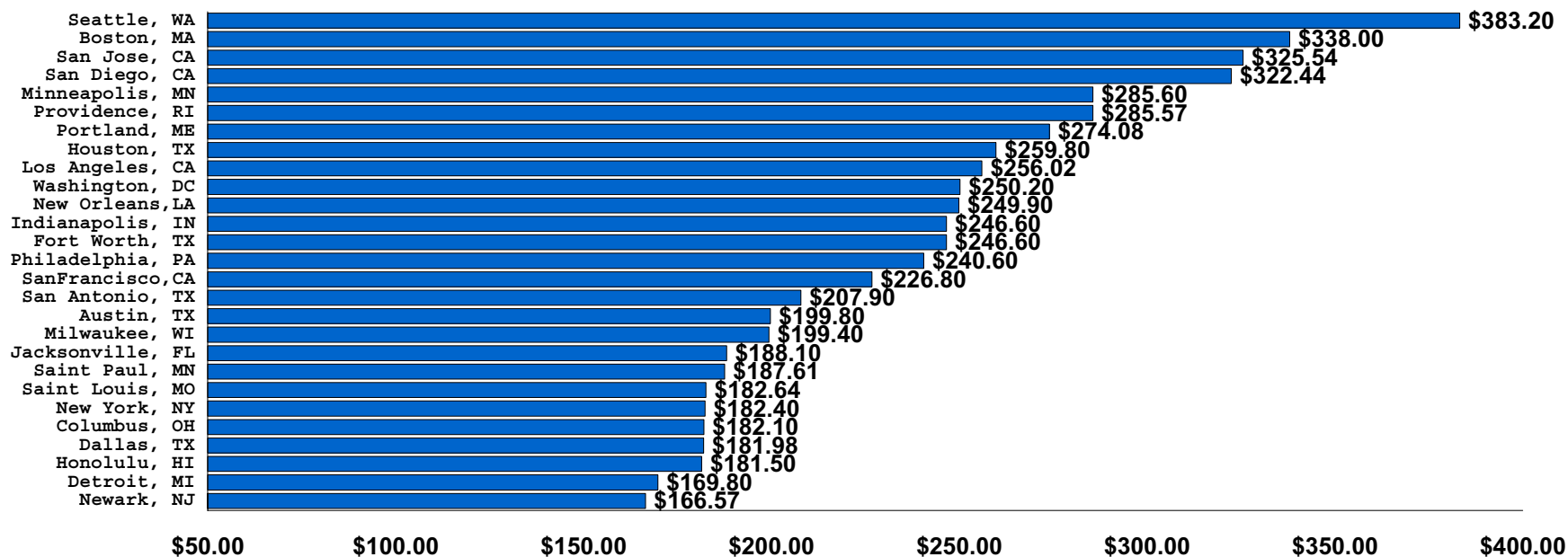
The 2005 expected excess operating cash changes are as follows:

|                                    |             |                    |
|------------------------------------|-------------|--------------------|
| Beginning Balance 12/31/2004       |             | \$3,025,000        |
| Change in Minimum Cash Required    | (\$136,000) |                    |
| Excess Expenditures over Financing | (\$47,000)  |                    |
| Cash Funded Capital Projects       | (\$375,000) |                    |
| Repay Advance SRF Funding          | \$800,000   |                    |
| Net Change                         |             | <u>\$242,000</u>   |
| Ending Balance 12/31/2005          |             | <u>\$3,267,000</u> |

# Saint Paul Regional Water Services Operational and Capital Spending 1995-2010

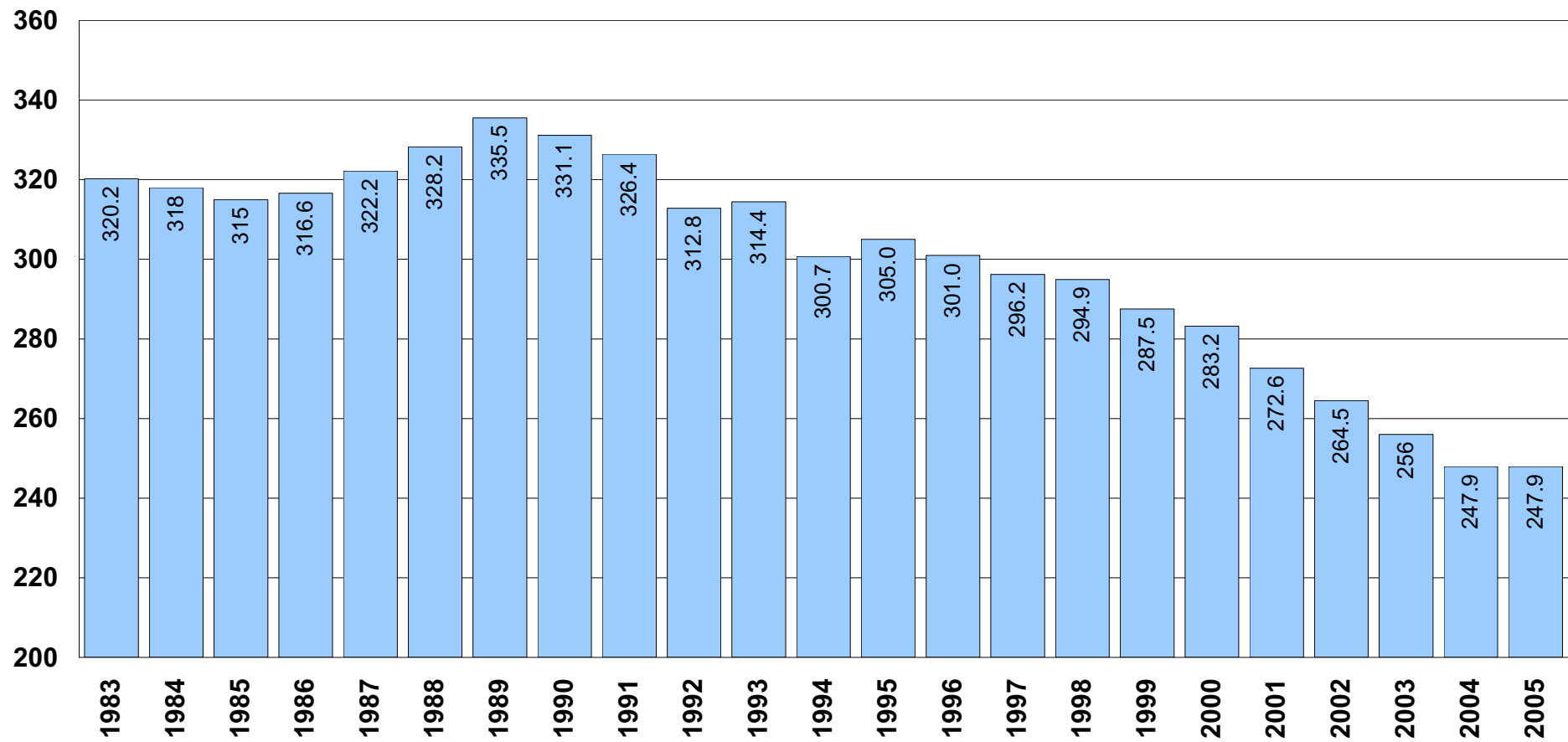


## Saint Paul Regional Water Services Comparative Residential Water Charges\*-2003



\*based on annual consumption of 12,000 cf

## Saint Paul Regional Water Services Employees\*



\*budgeted full time equivalents